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# ***Public Utilities Commission of the State of California***

## ***Public Agenda 3178***

***Thursday, September 7, 2006 10:00 a.m.***

***San Francisco, California***

### **Commissioners**

**Michael R. Peevey, President**

**John A. Bohn**

**Geoffrey F. Brown**

**Rachelle B. Chong**

**Dian M. Grueneich**

*For each agenda item, a summary of the proposed action is included; the Commission's decision may, however, differ from that proposed.*

*Website: <http://www.cpuc.ca.gov>*

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### **Scheduled Commission Meetings 505 Van Ness Avenue, San Francisco**

<i>Ratesetting Deliberative Meeting*</i> Room 5305 (1:30 p.m.) <b><i>Closed to the Public</i></b>	<i>Commission Meeting</i> Auditorium (10 a.m.) <b><i>Open to the Public</i></b>
Monday, September 18, 2006 (San Francisco)	Thursday, September 07, 2006 (San Francisco)
Monday, October 02, 2006 (San Francisco)	Thursday, September 21, 2006 (San Francisco)
Monday, October 16, 2006 (San Francisco)	Thursday, October 05, 2006 (San Francisco)
Monday, November 06, 2006 (San Francisco)	Thursday, October 19, 2006 (Fresno)
	Thursday, November 09, 2006 (San Francisco)

*\*Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

### ***Matters of Public Interest***

***For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.***

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## PUBLIC COMMENT

**The following items are not subject to public comment:**

- All items on the closed session agenda.
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**Public Comment:**

## Consent Agenda

*Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.*

### Consent Agenda - Orders and Resolutions

**1 (Rev.)**  
[5839]

**I00-11-001 - Order Instituting Investigation into implementation of Assembly Bill 970 regarding the identification of electric transmission and distribution constraints, actions to resolve those constraints, and related matters affecting the reliability of electric supply.**

This decision closes this proceeding after directing Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company, beginning on the first business day of October 2006, to submit on a quarterly basis to the Director of the Commission's Energy Division, specified information on the status of transmission projects and generation interconnection projects which prior rulings and decisions require the utilities to file on a monthly basis. This decision denies the utilities' motion requesting that their transmission reporting requirements be discontinued. The Commission directs that beginning on October 2, 2006, the utilities instead submit the reports, as modified by this decision, on a quarterly basis to the Director of the Commission's Energy Division. This proceeding is closed.

(Comr Peevey - ALJ TerKeurst)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3177, Item 13 8/24/2006 (Staff)

09/06/2006 - This revision was not shown on the Agenda mailed to the public.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247795](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247795)

**2**  
[5789]

**Res ALJ 176-3178**

Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247695](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247695)

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Consent Agenda - Orders and Resolutions (continued)

- 3 (Rev.)**      **A06-03-025 - Acceris Management and Acquisition LLC. (Applicant).**  
[5853]      This decision grants Applicant's application for a certificate of public convenience and necessity authorizing the provision of resold local exchange services in this state. This proceeding is closed.  
(Comr Chong - ALJ Prestidge)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3177, Item 21 8/24/2006 (Staff)  
08/30/2006 - This revision was not shown on the Agenda mailed to the public.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=246785](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=246785)
- 4**      **Res T-17059 - NextG Networks Inc.**  
[5862]      This resolution authorizes NextG Networks Inc. to deviate from Public Utilities Code Section 320 to install aerial cable and antennae above ground within 1,000 feet of a scenic highway in El Dorado County. (Advice Letter 13, filed June 15, 2006)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=246983](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=246983)
- 5**      **R04-03-017 - Order Instituting Rulemaking regarding policies, procedures and incentives for distributed generation and distributed energy resources.**  
[5881]      This decision awards Vote Solar Initiative compensation for its substantial contributions to D04-12-045, D05-12-044, and D06-01-024. Today's award of \$22,809.00 will be paid from the Commission's intervenor compensation program fund. This proceeding is closed.  
(Comr Peevey - ALJ Malcolm)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*  
Agenda 3177, Item 37 8/24/2006 (Staff)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=246482](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=246482)
- 6**      **Res T-17060**  
[5900]      This resolution revokes certificates of public convenience and necessity (CPCN) of the following companies for failure to comply with Decision 93-05-010, Ordering Paragraph 4: Bay Area Teleport (CPCN# (#) 5109); NetSolve, Inc. (#5418); UC Computers, Inc. (#5962); Altrio Communications, Inc. (#6556); MTEL America, Inc. (#6818).  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=246918](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=246918)

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Consent Agenda - Orders and Resolutions (continued)

- 7**  
[5901] **A05-06-028 - Pacific Gas and Electric Company (PG&E).**  
For authority to increase revenue requirements to recover the costs to deploy an advanced metering infrastructure. This decision modifies Decision 06-07-027 upon the Commission's own motion to restore a portion of the decision deleted from the proposed decision. This language described possible customer load management applications that might be offered in the future on a competitive basis by nonutility providers in conjunction with PG&E's Advance Metering Infrastructure network architecture. This proceeding is closed.  
(Comr Peevey - ALJ Long)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247724](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247724)
- 8**  
[5916] **A06-04-020 - 360networks (USA) Inc. (Applicant).**  
This decision grants Applicant's unopposed application for a certificate of public convenience and necessity authorizing the provision of limited facilities-based and resold local exchange services. This proceeding is closed.  
(Comr Bohn - ALJ Prestidge)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=243427](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=243427)
- 9**  
[5917] **A99-07-020 - Pacific Bell (Applicant).**  
Application to lease space and transfer assets pursuant to Section 851 is closed with Applicant's concurrence after passage of time without decision on initial request.  
(Comr Peevey - ALJ Walker)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=243571](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=243571)
- 10**  
[5918] **A05-04-020 - Verizon Communications, Inc. and MCI, Inc.**  
Joint application to transfer control of MCI's California utility subsidiaries to Verizon, which will occur indirectly as a result of Verizon's acquisition of MCI. This decision grants intervenor compensation awards of \$92,241.46 to the Greenlining Institute, \$70,102.37 to the Latino Issues Forum, \$29,767.14 to Disability Rights Advocates, and \$297,543.49 to The Utility Reform Network (collectively, intervenors). These awards are made for each intervenor's substantial contributions to Decision 05-11-029. This proceeding is closed.  
(Comr Peevey - ALJ Walker)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=230535](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=230535)

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Consent Agenda - Orders and Resolutions (continued)**11 A04-12-029 - Alliance Group Services, Inc. (AGS).**

[5920]

This decision grants the joint motion of AGS and the Commission Consumer Protection and Safety Division for approval of a settlement agreement and approves the settlement agreement without any modifications. This proceeding remains open, for further adjudication of AGS' application for a facilities-based certificate of public convenience and necessity authorizing the provision of interexchange services in this state.

(Comr Peevey - ALJ McKenzie)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247870](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247870)

**12 A06-02-024 - City of Elk Grove.**

[5922]

This decision grants the request of City of Elk Grove to construct a grade-separated highway-rail crossing on Grant Line Road and close the existing at-grade crossing in the City of Elk Grove, County of Sacramento. This proceeding is closed.

(Exam Clark)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247820](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247820)

**13 A05-02-027 - SBC Communications Inc. (SBC) and AT&T Corp. (AT&T).**

[5923]

For authorization to transfer control of AT&T Communications of California, TCG Los Angeles, Inc., TCG San Diego, and TCG San Francisco to SBC, which will occur indirectly as a result of AT&T's merger with a wholly-owned subsidiary of SBC, Tau Merger Sub Corporation. This decision awards intervenor compensation to the Greenlining Institute, Latino Issues Forum, Community Technology Foundation of California, The Utility Reform Network, and Disability Rights Advocates for substantial contributions to Decision 05-11-028, which approved the application of SBC and AT&T to transfer control of AT&T subsidiaries of the combined organization resulting from AT&T's merger with SBC. This proceeding is closed.

(Comr Peevey - ALJ Pulsifer)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247848](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247848)

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Consent Agenda - Orders and Resolutions (continued)

- 14**  
[5926] **A06-04-003 - City of San Diego.**  
This decision grants the request of City of San Diego for authority to construct a new Harbor Drive Pedestrian Overpass Grade Separation Bridge Structure, CPUC No. 002-268.82-AD, over three light rail vehicle tracks of the Metropolitan Transit Development Board and two heavy rail tracks of the BNSF Railway Company in the City of San Diego, County of San Diego, California. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=242774](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=242774)
- 15**  
[5927] **A05-06-039 - County of San Diego.**  
This decision grants County of San Diego's request for authority to relocate the existing at-grade crossing at South Santa Fe Avenue over the North County Transit District's Escondido Subdivision approximately 458 feet east, measured along the centerline of the track, replacing the existing at-grade crossing identified as CPUC Crossing No. 106E-112.00, in San Diego County. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=244260](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=244260)
- 16**  
[5928] **A06-03-014 - City of Pico Rivera.**  
This decision grants the request of City of Pico Rivera to construct a grade-separated crossing of Passons Blvd. beneath tracks of the BNSF Railway Company's San Bernardino Subdivision, replacing the existing at-grade crossing identified as CPUC Crossing No. 002-151.45, and to close the adjacent at-grade crossing of Serapis Ave., identified as CPUC Crossing No. 002-151.30, in Los Angeles County. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=244262](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=244262)
- 17**  
[5929] **A05-08-005 - City of Oxnard.**  
This decision grants the City of Oxnard's request for authority to construct an at-grade crossing, referred to as the Oxnard Transportation Center Parking Lot Crossing, adjacent to the Oxnard Transit Center over the tracks and right-of-way of the Union Pacific Railroad Company in the City of Oxnard, Ventura County. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=245862](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=245862)

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Consent Agenda - Orders and Resolutions (continued)

- 18**  
[5930] **A01-09-021 - City of American Canyon.**  
A05-05-014 - Related matters. The Settlement between the City of American Canyon, California Northern Railroad and Union Pacific Railroad Company is approved, and authority is granted to replace an existing private crossing at South Napa Junction Road with a public at-grade crossing. The authority previously granted by D02-06-059 in A01-09-021 is also extended. A01-09-021 and A05-05-014 are closed.  
(Comr Grueneich - ALJ Ryerson)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=244702](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=244702)
- 19**  
[5934] **A06-06-023 - Pacific Pipeline System LLC., Plains All American Pipeline, L.P. and LB Pacific, L.P.**  
A06-06-024 - Related matters. This decision grants the application of Pacific Pipeline System and Pacific Terminals, LLC for a change of control pursuant to Pub. Util. Code §854. These proceedings are closed.  
(Comr Brown - ALJ Bemederfer)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=244970](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=244970)
- 20**  
[5935] **Res T-17052 - AT&T California (AT&T).**  
AT&T requests approval of an Interconnection Agreement between AT&T and YMax Communications Corp., pursuant to Section 252 of the Telecommunications Act of 1996 and in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 28617, filed July 19, 2006)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=245650](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=245650)
- 21**  
[5936] **Res T-17063 - United Way Silicon Valley.**  
This resolution grants the application of United Way Silicon Valley to use the 2-1-1 dialing code for health and human services information and referral service in Santa Clara County.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=245652](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=245652)

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Consent Agenda - Orders and Resolutions (continued)

- 22**  
[5941] **A06-05-013 - Aleksandr Kogen and Aleksandr Nudelman.**  
This decision authorizes Samme Shiheiber and Majed Dajani to acquire control of Quake City Shuttle, Inc., a passenger stage corporation, by the purchase of all outstanding corporate stock from Aleksandr Kogen and Aleksandr Nudelman. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=245904](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=245904)
- 23**  
[5942] **A06-04-024 - Discount Shuttle L.L.C. (Applicant).**  
This decision authorizes Applicant to modify its passenger stage corporation service to include the scheduled transportation of passengers and their baggage between Los Angeles International Airport, on the one hand, and Anaheim, John Wayne Airport, Laguna Niguel, West Covina, Ontario International Airport, San Bernardino, and Palm Springs Airport, on the other hand. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=245899](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=245899)
- 24**  
[5943] **A06-05-004 - HAWK Group, Inc.**  
This decision authorizes HAWK Group, Inc. to acquire control of East Bay Connection, Inc., a passenger stage corporation, through the purchase of stock from Reshad Sulymankhel, Nazir Sulymankhel, Bashir Sulymankhel, and Jawad Sulymankel. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=245905](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=245905)
- 25**  
[5945] **R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanisms for generation procurement and renewable resource development.**  
This decision approves the revised power purchase agreement between San Diego Gas & Electric Company and Otay Mesa Energy Center, LLC, a wholly owned indirect subsidiary of Calpine Corporation relating to the 583 megawatt natural gas-fired combined-cycle power plant under construction in southern San Diego County. This proceeding is closed.  
(Comr Peevey - ALJ Brown)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247640](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247640)



## Consent Agenda - Orders and Resolutions (continued)

- 26**                    **A05-03-024 - San Diego Gas & Electric Company (SDG&E).**  
[5949]                This decision grants the request of SDG&E for a certificate of public convenience and necessity for the Silvergate Substation Project. This proceeding is closed.  
                         (Comr Grueneich - ALJ Allen)  
                         *Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
                         *Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
                         [http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247349](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247349)
- 27**                    **C92-08-029 - Nabil F. Athanassious vs. AT&T and Pacific Bell.**  
[5953]                C92-09-028, C92-12-031 - Related matters. Complaints to modify local access and transport area boundary line are closed due to passage of time without party objection. These proceedings are closed.  
                         (Comr Peevey - ALJ Weismehl)  
                         [http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=245682](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=245682)

## Regular Agenda

### Regular Agenda - Energy Orders

**28**

[5623]

**R05-02-023 - Order Instituting Rulemaking to revise Commission General Order Number 95 pursuant to D05-10-030.**

The Commission on February 24, 2005 issued this Order Instituting Rulemaking 05-02-023 to consider uniform rules for attaching wireless antennas to jointly used utility poles and towers. Following seven days of workshops in San Francisco and Los Angeles, the parties jointly presented a workshop report containing three alternative proposals for a new Rule 94 to General Order 95. The parties reached agreement on most of new Rule 94 but differed on provisions dealing with identification signs, the vertical clearance between supply conductors and wireless antennas with radio frequency (RF) emissions, and exceptions to the rules for certain low-emission antennas. This decision today adopts in its entirety the Rule 94 sponsored by the Commission's Consumer Protection and Services Division, the International Brotherhood of Electrical Workers Local 1245, the Communication Workers of America – Ninth District, Pacific Gas and Electric Company, and San Diego Gas & Electric Company. The decision rejects the assertions of some parties that elements of the new Rule 94 are preempted by Federal Communications Commission (FCC) rules regulating RF exposure, concluding instead that mere acknowledgement of the FCC's RF rules does not preempt a state agency which enacts construction rules intended to provide a safe working environment for those climbing and working on transmission poles. This proceeding is closed.

(Comr Brown - ALJ Walker)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

Agenda 3173, Item 37 5/25/2006 (Chong);

Agenda 3174, Item 40 6/15/2006 (Bohn);

Agenda 3175, Item 27 6/29/2006 (Bohn);

Agenda 3176, Item 40 7/20/2006 (Peevey);

Agenda 3177, Item 45 8/24/2006 (Staff)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=246388](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=246388)

**29**

[5776]

**I05-06-041 - Order Instituting Investigation on the Commission's own motion into methodology for economic assessment of transmission projects.**

This decision adopts general principles and minimum requirements and provides other guidance for economic evaluations of proposed transmission projects that may be submitted in Commission certificate of public convenience and necessity proceedings. This proceeding is closed.

(Comr Grueneich - ALJ TerKeurst)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3176, Item 45 7/20/2006 (Grueneich);

Agenda 3177, Item 46 8/24/2006 (Grueneich)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=246461](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=246461)

## Regular Agenda - Energy Orders (continued)

**30**

[5904]

**R04-01-025 - Order Instituting Rulemaking to establish policies and rules to ensure reliable, long-term supplies of natural gas to California.**

This order addresses the remaining issues in the proceeding. This order, among other things, does as follows: 1. Approves Interconnection Agreements and Operational Balancing Agreements for LNG providers (including gas arriving at Otay Mesa). 2. Directs the Pacific Gas and Electric Company (PG&E), the San Diego Gas & Electric Company (SDG&E), and the Southern California Gas Company (SoCalGas) to adopt, as a backbone transmission planning standard, one-in-ten cold and dry year average demand. 3. Approves an agreement between PG&E and independent storage providers for direct interconnection to storage customers. 4. Endorses the creation of an Infrastructure Working Group which will enable all participants and relevant state agencies to monitor system utilization and identify expansion needs. 5. Clarifies and expands policies related to receipt point expansion on the SoCalGas system. 6. Finds that no party has identified a specific example of inadequate infrastructure affecting the delivery of gas over the next few years. 7. Directs the utilities to make new system adequacy filings in a new proceeding, incorporating the requirements set forth in this order including the need to consider the probability of peak-period storage withdrawal, and the deliverability of withdrawn gas when assessing the adequacy of the entire system. 8. Directs the utilities to propose quantifiable slack capacity standards based on the specific characteristics of their respective natural gas delivery systems and the need to ensure adequate service in times of emergency. 9. Raises concerns about the adequacy and competitiveness of unbundled storage in the SoCalGas service territory and orders the utility to file tariffs creating a cost-based recourse rate for storage customers willing to make a multi year commitment. 10. Rejects SoCalGas' proposed revisions to its rules affecting open seasons related to local transmission capacity. SoCalGas seeks to establish a requirement that customers seeking firm capacity commit to 5 or 10-year contracts. The order cites the Commission policy, as established in Decision 02-11-073, stating that the Commission will not consider the merits of imposing long-term contracts until SoCalGas has established an approved program for tradable firm rights. The Commission is currently considering such a proposal in Application 04-12-004. 11. Directs SDG&E and SoCalGas to plan more explicitly for appropriate system expansions outside of the open season process. 12. In reviewing current gas quality standards, the order requires the preservation of the status quo in terms of safety, reliability and air quality, by keeping in place the current SoCalGas Rule 30 requirements and ordering adherence to the current Air Resources Board compressed natural gas vehicles standards. Parties are encouraged to develop an alternative means for maintaining the status quo while the utilities and others complete studies necessary to ensure safe, reliable, and clean natural gas service under revised air quality standards. The additional studies will include compliance with the California Environmental Quality Act. 13. Adopts various minor changes to PG&E's Rule 21 and SoCalGas' Rule 30. 14. Directs the Energy Division, in cooperation with the California Energy Commission, to convene a workshop to develop a detailed strategy for additional studies necessary to ensure that new gas quality specifications will preserve safe, reliable, and clean natural gas service. R04-01-025 is closed.

(Comr Peevey - ALJ Weissman)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=243824](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=243824)

## Regular Agenda - Energy Orders (continued)

**30a                   ALTERNATE TO ITEM 5904**

[5905]

The alternate decision adopts natural gas quality standards for Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCalGas) and San Diego Gas and Electric Company (SDG&E), assesses the adequacy of the utilities' backbone pipeline transmission capacity and associated slack capacity ranges, as well as storage adequacy, establishes open season policies for SoCalGas and SDG&E, and approves Interconnection Agreements and Operational Balancing Agreements for LNG providers and approves a settlement agreement between PG&E and independent storage providers. This decision concludes Phase II of this Rulemaking. (Comr Peevey)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=246641](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=246641)

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**Regular Agenda - Energy Resolutions and Written Reports****31                    Res E-4006 - Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).**  
[5903]

PG&E, SCE, and SDG&E request authority to update their Direct Access Switching Exemption Rules to clarify that customers electing to remain on bundled portfolio service at the end of their three-year commitment period shall be subject to an additional three-year commitment period. The requests of PG&E, SCE, and SDG&E are approved with modifications. (PG&E Advice Letter (AL) 2840-E and SDG&E AL 1801-E, filed June 2, 2006, and SCE AL 2013-E, filed June 9, 2006)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=243895](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=243895)

**32                    Res G-3390 - Pacific Gas and Electric Company (PG&E).**  
[5938]

PG&E requests authority to commence a credit card option pilot program for a 12-month period. PG&E's request is approved with modification. (Advice Letter 2744-G/2861-E, filed July 14, 2006)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247032](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247032)

**33                    Res E-4019 - Pacific Gas and Electric Company (PG&E).**  
[5946]

PG&E proposes to provide an electric bill customer credit and to establish a fund to assist with customer bills due to increased demand levels and revenues related to the July 2006 heat storm. (Advice Letter 2885-E, filed August 16, 2006)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=246470](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=246470)

**Regular Agenda - Telecommunication Orders****34**

[5778]

**R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service.**

I95-04-044 - Related matters. This decision disposes the Petitions for Modification of Decision 05-07-043 (Petitions), filed respectively by Verizon California Inc. (Verizon) on January 5, 2006, and by AT&T California dba SBC California (SBC) on February 3, 2006. Verizon and SBC seek to terminate the requirement for arbitration of batch hot cut process and pricing disputes. A prehearing conference shall be conducted in the consolidated arbitration proceedings for Verizon and SBC in order to address ultimate disposition of parties' remaining disputes relating to batch hot cut processes and pricing.

(Comr Peevey - ALJ Pulsifer)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3176, Item 52 7/20/2006 (Peevey);

Agenda 3177, Item 56 8/24/2006 (Brown)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=246241](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=246241)

**Regular Agenda - Water/Sewer Resolutions and Reports****35 (Rev.)**

[5843]

**Res W-4612 - Rural Water Company, Inc., Cypress Ridge Sewer System.**

This resolution authorizes Rural Water Company, Inc., Cypress Ridge Sewer System a thirty-six month rate surcharge for recovery of the unanticipated expense memorandum account, for a total amount of \$69,756 or 36.5% in 2006. (Advice Letter (AL) 4, filed August 3, 2005 and AL 5, filed August 24, 2005)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

Agenda 3177, Item 62 8/24/2006 (Staff)

08/31/2006 - This revision was not shown on the Agenda mailed to the public.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247150](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247150)

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## Regular Agenda - Transportation/Rail Safety Resolutions and Reports

**36**

**Res SX-74**

[5879]

This resolution recommends to the California Transportation Commission for increasing funding under the California Public Utilities Code Section 1231.1 to an amount of \$4,100,000 to be set aside in fiscal year 2007-08 for maintaining automatic grade crossing protection devices.

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=247685](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=247685)



**Regular Agenda - Legal Division Matters****37 (Rev.)      DA 06-49, WC Docket 06-10**

[5868]

The FCC has established a pleading cycle for comments to be filed regarding AT&T, Bell South and Qwest's Petitions for Forbearance under 47 U.S.C. Section 160 (c) from Title II and Computer Inquiry rules with respect to broadband services.

Agenda 3177, Item 66 8/24/2006 (Staff)

09/01/2006 - This revision was not shown on the Agenda mailed to the public.

**38**

[5878]

**FERC Docket No. RM05-25-000**

Preventing Undue Discrimination and Preference in Transmission Services, FERC Docket No. RM05-25-000. On May 18, 2006, FERC released a Notice of Proposed Rulemaking (NOPR) proposing amendments to regulations adopted in Orders 888 and 889 to ensure that transmission services are provided in a nondiscriminatory and just and reasonable basis. The initial Comments filed in this rulemaking proceeding by certain parties have raised a number of policy issues of concern to staff. The Commission has not previously given the staff policy direction on these issues. Staff accordingly seeks the Commission's authorization to file Reply Comments addressing these new issues of concern. Reply Comments are due on September 20, 2006.

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## **Regular Agenda - Legislative and Other Matters**

**39**

[5954]

### **Proposition 90 (Initiative Constitutional Amendment)**

Government Acquisition, Regulation of Private Property.

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**Regular Agenda - Commissioner's Reports**

**Regular Agenda - Management Reports and Resolutions****40**

[5931]

**Director Clark Report**

Designation of Consumer Protection and Safety Division investigators authorized to exercise the limited powers of a peace officer within the scope of their duties as specified in Penal Code Section 830.11 and Pub. Util. Code Section 308.5. This matter will be presented before the Commission for discussion and action.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=245587](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=245587)

## Closed Session

*This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the disclosures required by Government Code Sections 11125.2 and 11126.3(f).*

### Closed Session - Applications for Rehearing

- 41**                      **Conference with Legal Counsel - Applications for Rehearing**  
 [5795]                      Compilation of applications for rehearing recently filed with the Commission.  
                                  *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*
- 42**                      **A05-02-004 - Conference with Legal Counsel - Application for Rehearing.**  
 [5815]                      Disposition of application for rehearing of D06-01-025 filed by Golden State Water Company (Formerly Southern California Water Company.) D06-01-025 involves requested rate increases for the company's Region III service area for 2006, 2007 and 2008.  
                                  *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*  
                                  Agenda 3176, Item 69 7/20/2006 (Staff)
- 43**                      **C05-10-002 - Conference with Legal Counsel – Application for Rehearing**  
 [5874]                      Disposition of Application for Rehearing of D06-03-003 filed by Douglas and Sherri Massongill (Applicants.) D06-03-003 denied the complaint against Hillview Water Company, Inc. filed by Applicants. In D06-03-003, the Commission concludes that the fact that Applicants 1.64 acres of undeveloped land that they own near Oakhurst, California briefly had water service in 1998 (until cancelled by the prior owners) does not qualify the property for an exemption from the moratorium.  
                                  *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*  
                                  Agenda 3177, Item 72 8/24/2006
- 44**                      **A02-10-007 - Conference with Legal Counsel - Application for Rehearing.**  
 [5932]                      Disposition of Application for Rehearing filed by The Helein Law Group, P.C. of Decision 06-04-048. The Decision denied the application of New Centry Telecom, LLC for authority to transfer ownership from Kathleen Helein to Karyn Bartel. The Decision also found that New Century Telecom, and its law firm, The Helein Law Group, violated Rule 1 of the Commission's Rules of Practice and Procedure.  
                                  *Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

Closed Session - Applications for Rehearing (continued)

**45**

**C06-01-018 - Conference with Legal Counsel - Application for Rehearing**

[5947]

Disposition of the application for rehearing filed by the Pacific Continental Textiles, Inc. (PCT), of D06-06-011. D06-06-011 dismisses with prejudice a complaint filed by PCT against Southern California Edison Company.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

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**Closed Session - Initiation of Litigation - Non-Federal**

Consideration of possible Commission initiation of, or intervention in, litigation.

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*

**46**

[5948]

**Conference with Legal Counsel - Initiation of Litigation**

An investigation into the operations and practices of Sebastian Enterprises, Inc.; Fortel, Inc.; and Foresthill Telephone Company.

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*

*Gov. Code § 11126(d)(2), allows this item to be considered in Closed Session.*

**Closed Session - Threatened Litigation - Non-Federal**

Significant exposure to litigation

*Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session*



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**Closed Session - Existing Litigation - Non-Federal**

**47**

[5792]

**San Diego Superior Court No. GIC 857224 - Conference with Legal Counsel**

People of the State of California, et al. v. Sempra Energy, et al., San Diego Superior Court No. GIC 857224

*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*

**Closed Session - Threatened Litigation - Federal**

Significant exposure to litigation in federal agency or court proceedings.

*Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session*

### **Closed Session - Initiation of Litigation - Federal**

Consideration of possible Commission initiation of, or intervention in, federal agency or court proceedings.

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*

**Closed Session - Federal**

**48**

[5798]

**FERC Docket No. ER06-615 - Conference with Legal Counsel - Existing Litigation**

California Independent System Operator Corporation, FERC Docket No. ER06-615, also known as Market Redesign and Technology Update (MRTU).

*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*

**Closed Session - FERC Docket No. EL00-95-000, et al.**

Conference with Legal Counsel - Existing Litigation; San Diego Gas & Electric Co., FERC Docket No. EL00-95, Investigation of Practices of the California Independent System Operator and the California Power Exchange, FERC Docket EL00-98, and related dockets, CPUC v. FERC, Ninth Circuit Nos. 01-71051, et al., and 01-71934, et al., and related dockets.

*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*

### **Closed Session - Personnel Matters**

Consideration of appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought against that employee by another person or employee.

*Gov. Code § 11126(a), allows this item to be considered in Closed Session*